

Date Mailed  
July 24, 2001

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company-Wisconsin for  
Authority to Maintain Current Retail Electric and Natural Gas  
Service Rates in Wisconsin

4220-UR-111

**ORDER TO REOPEN  
AND  
NOTICE OF HEARING**

<b>Direct Testimony Due:</b>	<b>Tuesday, August 7, 2001 – Noon</b>
<b>Rebuttal Testimony Due:</b>	<b>Tuesday, August 14, 2001 – Noon</b>
<b>Hearing Date:</b>	<b>Thursday, August 16, 2001 – 9 a.m.</b>
<b>Hearing Locations:</b>	<b>Public Service Commission, 610 North Whitney Way, Madison, WI</b>  <b>Eau Claire Offices of Northern States Power Company— Wisconsin, 1414 West Hamilton Avenue, Eau Claire, WI</b>

On June 2, 1999, Northern States Power Company–Wisconsin (NSPW) filed an application with the Commission under Wis. Stat. §§ 196.03, 196.20, and 196.37, for authority to maintain current rates for electric and natural gas service. This application was docketed as 4220-UR-111.

The Commission issued a final decision in this docket on October 29, 1999 (Order). The Order contained a forecast of fuel costs, established fuel cost variance ranges, and imposed fuel cost monitoring in accordance with Wis. Admin. Code § PSC 116.04.

On March 17, 2000, NSPW filed an application under Wis. Admin. Code ch. PSC 116 for an increase in rates for electric service due to an emergency increase in fuel costs. On May 2, 2000, the Commission issued an amended order increasing retail electric rates by \$9,578,893. Appendix B of the amended order contains the monitored monthly fuel costs by fuel cost per net kWh produced and the cumulative monthly cost per kWh.

On May 11, 2001, NSPW filed an application with the Commission under Wis. Admin. Code § PSC 116.06 (1) for an increase in fuel costs of \$12,626,197. NSPW states that it has exceeded the limits of the monitoring range for its fuel costs in both February and March 2001—

February 2001 actual costs exceeded authorized costs by 15.77 percent and in March 2001 actual costs exceeded authorized by 34.42 percent. NSPW estimates that it will exceed the annual authorized fuel costs in 2001 by 13.07 percent, which is outside of the two percent annual range authorized in this order.

On June 28, 2001, the Commission issued an interim order authorizing an additional fuel surcharge of \$0.00198 per kWh for an annual increase of \$10,945,558. In the interim order, the Commission stated that there would be a second hearing on the emergency fuel increase after Commission staff has had a full opportunity to review the company's filing and supporting documentation. For this reason, the Commission hereby reopens docket 4220-UR-111 under Wis. Stats. §§ 196.39 and 196.395 to consider a final increase in electric rates due to an increase in fuel costs.

**NOTICE IS GIVEN** that a hearing will be held beginning on Thursday, August 16, 2001, at 9 a.m. in the Amnicon Falls Hearing Room at the Public Service Commission Building, 610 North Whitney Way, Madison, Wisconsin, and continuing at times to be set by the presiding Administrative Law Judge. This building is accessible to people in wheelchairs through the Whitney Way first floor (lobby) entrance. Parking for people with disabilities is available on the south side of the building. Any person with a disability who needs additional accommodations should contact the case coordinator listed below.

Customers and other interested parties may also participate in this hearing telephonically at the NSPW offices in Eau Claire. The address is 1414 West Hamilton Avenue, Eau Claire, Wisconsin 54702. This building is accessible to people in wheelchairs at the main entrance and handicapped parking is available next to the main entrance.

Any person desiring to become a party shall file a request pursuant to Wis. Stat. § 227.44(2m) and Wis. Admin. Code § PSC 2.32(3) on or before August 7, 2001. The request shall be addressed to Administrative Law Judge David C. Whitcomb, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, Wisconsin 53707-7854. The service list that currently exists in this docket will be rescinded. A new service list will be created to reflect the Administrative Law Judge's determinations of the party requests filed pursuant to this notice.

This hearing will be conducted on the following issues:

1. Whether the Commission should grant NSPW's request for an emergency or extraordinary rate increase in a proceeding limited in scope to the question of the increase in fuel costs under Wis. Admin. Code § 116.06 (1).
2. What rate relief is available, based on changes found in NSPW's fuel costs.
3. How to amend the forecast of fuel costs and the fuel cost variance ranges imposed by the Order, based on changes found in NSPW's fuel costs.

4. Whether it is necessary to refund surcharges authorized in the interim proceeding in this docket.

This is a Class 1 proceeding as defined in Wis. Stat. § 227.01(3)(a).

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

The utility is responsible for giving notice to its customers of the filing of its application with the Commission and, pursuant to Wis. Admin. Code § PSC 2.73, for producing proof of notice at the hearing.

Questions from the media may be directed to Jeffrey L. Butson, Public Affairs Director at (608) 267-0912.

Questions regarding this matter may be directed to docket coordinator Michael A. Ritsema at (608) 267-9296.

Dated at Madison, Wisconsin, \_\_\_\_\_

By the Commission:

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Lynda L. Dorr  
Secretary to the Commission

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